

SOLICITATION FOR OFFERS Addendum # 2

Finance and Business Operations Division 206-684-1681 TTY RELAY: 711

Procurement and Contract Services Section

DATE ISSUED: August 4, 2006

Acquisition or Lease of Facility to Consolidate King County SFO Title:

Department Of Executive Services

Elections

Department of Executive Services – Facilities Management Requesting Dept./ Div.:

Division - Real Estate Services Section

SFO Number: 200-06RLD

Revised Due Date: Tuesday, August 22, 2006 - no later than 2:00 P.M.

Buyer: Roy L. Dodman, roy.dodman@metrokc.gov (206) 263-4266

This addendum is issued to revise the original Solicitation for Offers (SFO) dated June 29, 2006 as follows:

1. The submittal opening date is changed from Tuesday, August 15, 2006 to Tuesday, August 22, 2006, no later than 2:00 p.m.

- 2. The deadline for submitting final questions is changed from Monday, July 17, 2006 to Tuesday, August 15, 2006, prior to the close of business.
- 3. Modify SFO, SECTION I GENERAL INFORMATION, F., as shown below. Language to be added to the original SFO is underlined.

King County is not liable for any cost incurred by the Offeror prior to executing a purchase and sale (continued on page 2)

TO BE ELIGIBLE FOR AWARD, THIS ADDENDUM MUST BE SIGNED AND SUBMITTED TO KING COUNTY

Sealed offers will only be received by:

King County Procurement Services Section, Exchange Building, 8th floor, 821 Second Avenue, Seattle, WA 98104-1598. Office hours: 8:00 a.m. - 5:00 p.m., Monday - Friday

Company Name		
Address		City / State / Postal Code
Signature	Authorized Representative/Title	
Email	Phone	Fax

This Solicitation for Offers—Addendum will be provided in alternative formats such as Braille, large print, audiocassette or computer disk for individuals with disabilities upon request.

agreement or a lease agreement. All costs incurred in the preparation of an Offer and participation in this SFO process shall be borne by the Offeror. <u>Pursuant to Section III – OFFER SELECTION PROCESS</u>
<u>AND SCHEDULE</u>, of this SFO, King County may pay up to two deposits to Offerors to secure availability of the offered properties during the period of negotiation and King County's deliberative process.

4. Modify SFO, SECTION II, PART A - PROJECT PURPOSE, fourth paragraph, as shown below. Language to be deleted from the original SFO is crossed out; language to be added to the original SFO is underlined.

The site offered must be located to the north of the King County Regional Justice Center (Kent) and to the south of the King County northern boundary line <u>and to the west of the western city limit of North Bend;</u> within 2 miles of access to Interstate 5, Interstate 90, <u>and or</u> other major arterials <u>in the vicinity of the site</u> such as Highways 99, 518, 405, 509, and 167. <u>Refer to Section 1.8,5 of Exhibit A of this SFO for site location preference.</u>

5. Modify SFO, SECTION III, OFFER SELECTION PROCESS AND SCHEDULE, paragraphs 8 - 10 as shown below. Language to be deleted from the original SFO is crossed out; language to be added to the original SFO is underlined.

Within 30 calendar days of the due date for Offers, the Evaluation Committee shall review all Offers received based on the evaluation criteria set forth in this SFO and prepare and rank a shortlist of Offers that, in the opinion of the Evaluation Committee, best satisfy these evaluation criteria. In considering the Offers for inclusion on the shortlist, the Evaluation Committee may elect to include the highest ranked Offers among each of the four categories identified in this Section, may elect to include only the highest ranked Offers within one or more such categories, or may elect to use combination of these approaches. Upon completion of due diligence by the Evaluation Committee, the Executive shall make recommendation to the Council for authorization to proceed with agreement negotiation (purchase and sale agreement or lease agreement). It is the County's sole discretion whether to proceed to agreement negotiation.

If agreement negotiations are not successful with the top ranked Offeror on the shortlist, negotiations may be initiated with the second ranked Offeror and then to each subsequent Offeror until the project is canceled or a purchase and sale agreement or lease agreement acceptable to King County is executed.

If the County chooses to proceed to agreement negotiation, those Offerors making the shortlist shall be promptly so notified by King County, the top two ranked Offers shall remain valid for one hundred twenty (120) days from the date of Offer, and those top two ranked Offers and shall be secured by King County with a "to be negotiated" mutually agreed upon, non-refundable deposit not to exceed \$210,000. For the period the Offer remains valid, the Offeror shall not withdraw its Offer from the County or offer the property to a third party. Upon successful negotiation and approval by the King County Council of the purchase and sale agreement or lease agreement, the successful Offeror's non-refundable deposit shall be applied to the purchase price or lease price.

6. Modify SFO, SECTION III, PART A – OFFER EVALUATION, as shown below. Language to be deleted from the original SFO is crossed out; language to be added to the original SFO is underlined.

PART A - OFFER EVALUATION

Exhibit A of this SFO, Facility Program Requirements for Site and Building Shell, and Exhibit B of this SFO, Facility Program Reference Information for Tenant Improvements, will be used by the County in evaluating Offers.

The criteria presented below will be used in evaluating Offers for the approximately 82,000 square foot facility. The evaluation criteria are divided into three categories: "Significant Factors", "SFO Evaluation Criteria", and "Economic Value to King County". To assist in evaluation, Offerors shall include all of the information requested for "Significant Factors" and "SFO Evaluation Criteria" in a clear, comprehensive

and concise manner. "Economic Value to King County" is an economic analysis that will be prepared by King County.

Offerors shall clearly identify whether their Offer is: a) sale "as is", b) sale with complete Facility Program requirements of a facility that completely meets the building shell requirements of Exhibit A of this SFO, c) lease "as is", or d) lease with tenant improvements of a facility that completely meets the building shell requirements of Exhibit A of this SFO. A total of 190 points are possible for "as is" sale; a total of 190 points are possible for sale with complete Facility Program requirements; a total of 190 points are possible for "as is" lease, and a total of 190 points are possible for lease with tenant improvements.

A total of 200 points are possible for each of the four Offer categories.

Offers for sale "as is" or lease "as is" must include a statement confirming that their Offer completely meets the requirements set forth in Exhibit A of this SFO, but need not submit supporting information. All other Offeror's shall submit supporting information.

As deemed necessary by the County, a cost estimator and/or an architect or engineer will assist the County in evaluating Offers. On responsive Offers, the cost estimator would evaluate the property as offered to determine how closely it adheres to the complete requirements described in Exhibit A of this SFO. To the degree that the facility is deficient in meeting these requirements, the cost estimator would calculate the cost to bring the facility up to the conditions specified. These estimates would be used to equitably compare and evaluate costs associated with the various Offers received. The estimated cost of remedying deficiencies in the building shell to meet the requirements outlined in Exhibit A of this SFO would be added to the cost of the Offer, whether lease or purchase. On responsive Offers, the architect or engineer would advise the County on how effectively the Facility Program Reference Information for Tenant Improvements presented in Exhibit B of this SFO would work in each facility under consideration.

The County will proceed to negotiate with the entity submitting an Offer that, in the County's sole determination, best serves the County's interests. In making this determination, the County may select the Offer with the highest overall score or may select the Offer with the highest score within a single category even if that Offer does not have the highest overall score.

- 1. Significant Factors (To determine responsibility of the Offeror).
 - a. Sale with Complete Facility Program Requirements or Lease with Tenant Improvements Sale or lease with complete Facility Program requirements described in Exhibit A of this SFO.
 - i. Evidence of the financial strength and stability of the Offeror and Offerors financiers, if any, to obtain the necessary site, construct a new building or renovate an existing structure for Elections uses. Include net worth and/or other measurement of financial strength.
 - ii. Evidence of past experience with large, highly visible, complex, and politically sensitive construction development projects and statement of ability to address competing needs of stakeholders (governmental agencies, the private sector, and community groups). Identify the individuals who led each of the projects listed.
 - iii. Evidence of past experience with planning, design, construction, and/or delivery to a public agency of a facility or tenant improvements, depending on which is most relevant to the form of Offer, of similar complexity and design as the project described in this SFO. This includes successful experience obtaining all necessary permits.
 - b. For a period inclusive of the most recent ten (10) years, include a list identifying instances of civil disputes that have resulted in arbitration or litigation. If the dispute has been arbitrated, identify the cause of action, the arbitrator that handled the case (including address and telephone number), and the resolution. For disputes that have proceeded to litigation, identify each instance that a lawsuit has been filed; the court of jurisdiction; the cause of action; the filing number; and

the resolution, including settlements, compromises, and judgments. This information shall include instances where the Offeror was plaintiff or defendant. This information shall be required for the Offeror/developer, including predecessors in interest and affiliated legal entities formed for purposes of real estate development.

2. SFO Evaluation Criteria

- a. Price for building and land. Up to 40 points possible.
 - i. Sale "As Is": Purchase price offered.
 - ii. Sale with Complete Facility Program Requirements of a facility that completely meets the building shell requirements of Exhibit A of this SFO: Purchase price offered. (May include financing lease-to-purchase.)
 - iii. Lease "As Is" (no tenant improvements): Lease price offered for 20-year term; with option for an additional 10-year term--rent to be negotiated at then current market rate. Initial annual triple net rental rate, and annual triple net rental rate adjustments for the first day of the 6th year, first day of the 11th year, and first day of the 16th year.
 - iv. Lease of a facility that completely meets the building shell requirements of Exhibit A of this SFO with Tenant Improvements. Lease price offered for 20-year term; with option for an additional 10-year term--rent to be negotiated at then current market rate. Base, initial annual triple net rental rate and base, annual triple net rental rate adjustments for the first day of the 6th year, first day of the 11th year, and first day of the 16th year. Please identify the proposed incremental rental rate increase for each \$100,000 of tenant improvements.
- b. Compliance with the Facility Program requirements described in Exhibit A of this SFO and suitability of the facility to incorporate the integration of the Exhibit A, Section 1 requirements with the Exhibit tenant improvements referenced in Exhibit B of this SFO. A, Section 9 requirements. Up to 80 points possible.
- c. No less than three or more than five references reflecting the Offeror's ability to perform the commitments required by the form of Offer presented, whether it is a a) sale "as is", b) sale of a facility that completely meets the building shell requirements of Exhibit A of this SFO with complete Facility Program requirements, c) lease "as is", or d) lease with tenant improvements of a facility that completely meets the building shell requirements of Exhibit A of this SFO, with specific attention given to the ability of the Offeror as relevant to complete a sale, manage a long term lease, and/or to develop the property, adhere to development commitments, provide quality capital construction projects, meet development schedules, and work successfully with the regulatory and development requirements of King County, City of Seattle or other local jurisdictions. Include name, title, phone number, mailing address and email address. *Up to 10 points possible*.
- d. Bonus Points: If King County determines that the offered facility would satisfy other King County space needs--space needs in addition to those described in this SFO--up to 20 bonus points shall be awarded. And if King County determines that the facility meets LEED Silver Certification—up to 10 additional bonus points shall be awarded.

3. Economic Value to King County

The economic value to King County will be based on a thorough review as follows: *Up to 40 points possible.*

a. Comparison to facility attributes described in Exhibit A of this SFO;

- b. Comparison to current market equivalents;
- c. Assessment of life-cycle operating costs and practical management requirements of the facility and its location; and
- d. Determination of residual equity value to the County, if any.
- e. Other relevant factors.
- 4. Oral Presentation and Interview

The Evaluation Committee may conduct interviews with the shortlisted Offerors. There will be zero (0) points awarded for the interview; however, the responses will be used to verify scoring from the written evaluation.

- 7. Modify Exhibit A of the SFO as follows. Delete the title: KING COUNTY ELECTIONS FACILITY PROGRAM. Replace with: KING COUNTY ELECTIONS FACILITY PROGRAM GUIDELINES FOR SITE AND BUILDING SHELL.
- **8. Modify** Exhibit A of the SFO as follows: Remove Section 9, ELECTIONS PROGRAMMATIC REQUIREMENTS. Remove ATTACHMENT ONE TO EXHIBIT A.
- **9. Create** a new Exhibit with the following title: EXHIBIT B, KING COUNTY ELECTIONS FACILITY PROGRAM REFERENCE INFORMATION FOR TENANT IMPROVEMENTS.
 - Insert Section 9 into this new Exhibit B and Renumber it Section 1. Insert ATTACHMENT ONE TO EXHIBIT A into this new Exhibit B and Rename the title ATTACHMENT ONE TO EXHIBIT B.
- **10. Modify** Exhibit A of this SFO, Section 1.2, paragraphs 1 and 2, as shown below. Language to be deleted from the original SFO is crossed out; language to be added to the original SFO is underlined.
 - The site offered must be located to the north of the King County Regional Justice Center (Kent) and to the south of the King County northern boundary line <u>and to the west of the western city limit of North Bend;</u> within 2 miles of access to Interstate 5, Interstate 90, <u>and or</u> other major arterials such as Highways 99, 518, 405, 509, and 167. Refer to Section 1.8,5 of Exhibit A of this SFO for site location preference.
 - Should the proposed site location significantly vary from the <u>preferred</u> acceptable location, the square footage requirement may need to be increased for added warehouse and distribution capacity.
- **11. Modify** Exhibit A of this SFO, Section 1.4, A, Site and Location, as follows: **Delete** Item 4: The site shall be located in a low 'security risk' neighborhood, as defined by KC Sheriff's office. **Renumber** all remaining Items to 1 through 6.
- **12. Modify** Exhibit A of this SFO, Section 1.5, BUILDING SHELL REQUIREMENTS, as follows. **Delete** the title: BUILDING SHELL REQUIREMENTS. **Replace** with: OFFEROR'S BUILD-OUT OBLIGATIONS.
- **13. Modify** Exhibit A of this SFO, Section 1.5, OFFEROR'S BUILD-OUT OBLIGATIONS, A, Item 8 as shown below. Language to be added to the original SFO is underlined.
 - HVAC. Central HVAC systems and an HVAC zone dedicated to data equipment operation shall be installed and operational, including, as appropriate, main and branch lines, VAV boxes, dampers, flex ducts, and diffusers, for an open office layout, including all building common areas. Conditioned air through medium pressure duct work at a rate of .75 cubic feet per minute per ANSI/BOMA Office Area square foot shall be provided. All areas shall be well ventilated and not subject to rapid and extreme fluctuations of temperature and humidity (i.e more than +/-40 degrees or 40% within 25 hrs. At least 80 percent of useful life remaining.)
- **14. Modify** Exhibit A of this SFO as follows. **Delete** Section 1.6 COMPLETE FACILITY PROGRAM REQUIREMENTS/TENANT IMPROVEMENTS. **Replace** with: Section 1.6 Not Used.

15. Modify Exhibit A of this SFO, Section 1.8, PREFERRED FACILITY ATTRIBUTES, as follows. **Delete** Item 10: Preference for an existing HVAC zone, dedicated to data equipment operation. **Renumber** all remaining Items to 1 through 12.